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Subject:

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Date: 10-10-1957

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To: U.S. Embassy

10-10-1957

Action

REBUTTAL: People's Capitalism is most reported in special Economic
Supplement by German magazine "Frankfurter

JOP/PE***

Issue of Oct 6, 1957. The supplement is carried in the Frankfurter

Zeitung (circ. 115,000), this was devoted an eight-page special supplement

1/S

to the theory and practices of "People's Capitalism." Titled "Aktion fuer

Alle" (Action for All), the special edition includes five complete USIS

features in addition to a full reprint of the twelve-page USIS pamphlet

IPS***

Thomas Prechett, an American Capitalist, with five photos.

ICS***

The supplement, suggested to Frankfurter editor/publisher Karl Gerold by

IRI***

this post, seems to analyze incipient German moves to and a wider base of

IBS***

industrial ownership by way of the worker/stockholder, in terms of the American experience.

It comes out solidly in support of the American concept, an important gain in view of German trade union equivocation and outright opposition induced by outdated adherence to the class struggle dogma. The Kundschau

is read by organized labor and other target groups not normally reached by media

supporting the Adenauer government, and it took considerable initiative by

Staf***

Gerold to push through the issue in the face of trade union pressures applied

through public and private statements on the subject of People's Capitalism by

Otto Dremmer, General Secretary of the German Trade Union Federation.

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ICA*

Edited by Kundschau economist Alfons Rostan, the supplement is carried financially by the institutional advertisements of major German banks who have recently entered the investment trust business. German industry and a small number of American firms, notably Pan American Airways and Coca Cola, are also represented in the ad columns totalling three pages. Signed articles by noted German financial experts, among them Dr. Peter Hartmann, resident of the Chamber of Commerce, Frankfurt, and Dr. Hilf Freiherr von Bethmann underlining the advantages of planned stock and investment fund purchases by the small investor, set the tone of the issue.

(Embassy: UIC:JF:Reports Office/e)

Enclosure:

Supplement to Frankfurter
Kundschau (20 copies).

Joseph B. Phillips
Public Affairs Officer

George E. White,
Information Officer,
U.S. Embassy
Frankfurt
Germany

10-10-1957

DEPT OF STATE review(s) completed.

Attachments to AM.